



February 14, 2014

Bob Halligan, President
Region 5, Board of Directors
c/o Lane Workforce Partnership
1500 Valley River Drive, Suite 150
Eugene, OR 97410

Dear Mr. Halligan,

The final monitoring report for Program Years 2013 Workforce Investment Act Title I-B services in Region 5 is attached.

Please extend our thanks to staff for their work in preparing materials for our visit, and for their assistance during our review.

If you or your staff have any questions, please contact me at 503 947-2414, or Karen Humelbaugh at 503 947-2404.

Sincerely,

Krissa Caldwell
Deputy Commissioner

Enclosure

Public Service Building

255 Capitol Street NE

Salem, Oregon 97310

Phone (503) 378-8648

Fax (503) 378-3365

www.oregon.gov/CCWD



Final Monitoring Review Report

Program Year 2013 (July 1, 2013 – June 30, 2014)

Region 5

To satisfy requirements for oversight and monitoring of Workforce Investment Act (WIA) Title I funds, the State of Oregon's Department of Community Colleges and Workforce Development's (CCWD) monitoring plan provides for on-site monitoring reviews of local workforce investment areas, subrecipients and contractors. The state's monitoring system ensures that program policies and outcomes meet the objectives and regulations of WIA, and determines if compliance with WIA requirements has been demonstrated. The on-site monitoring also allows for determination as to whether a local workforce investment area is making acceptable progress in addressing any deficiencies, and to ensure compliance with the nondiscrimination and equal opportunity requirements of the WIA. The monitoring review also addresses the local area's compliance with the Department of Labor's (DOL) uniform administrative requirements.

Staff from CCWD conducted its review of Region 5 at Lane Workforce Partnership (LWP) office in Eugene, Oregon from October 28 through October 31, 2013. The CCWD relied on work, responses and other information provided during the Program Year 2013 monitoring conducted by Mark Neeley, Debra Welter, Rachel Soto, John Asher and Michael McCoy.

This report cites the results of our tests of compliance and review of policies and processes, and includes, defined as:

· Observations: In the course of the review, the audit team discovered areas that raised some measure of concern. Such concerns may be easily alleviated, and the audit team made every effort to discuss solutions with the appropriate staff to minimize concern.

· Findings: Findings are items or issues that are of significant concern or that indicate the violation of a guiding principle, regulation or rule. The monitoring team requested additional information beyond the initial review questions to determine whether the issue discovered was an abnormality of the review process or a valid violation.

This draft report cites two observations and no findings.

Observation 1: In our review of meals charged to the Lane Workforce Partnership's Umpqua VISA card for staff and board members to attend the NAWB 2013 conference, documentation needs to show in detail what meals and other charges were included to ensure no alcohol was purchased with federal funds. The charge slip does not include this documentation. Also, the travel policy should be updated to include a required "itemized" receipt for meals.

Observation 2: In reviewing the sub-recipient fiscal monitoring program used to review the Youth contract providers, it was noted that the program did not include a step to determine

the existence of gift cards and/or gas vouchers that may be used as an incentive payment to participants. It is our understanding that a couple of LWP's current youth providers use gift cards as a type of incentive payment. We recommend that a step be added to the sub-recipient monitoring program to determine the existence of these types of incentive payments. If they exist, procedures should include a review of the contractor's policies and procedures relating to the issuance, security, and inventory control of these document types. Also, it is recommended that the monitoring team review CCWD Policy Number 589-30.12, "Workforce Investment Act Title 1B Policy Statewide Supportive Services" for guidance.

During CCWD's visit, ten youth program participant files and ten non-youth participant files (made up of adult and dislocated worker participants) were tested, and all included appropriate eligibility documents and plan information. The fiscal components of the review guide provided information and details which confirm that the fiscal system of expenditure authorization and record keeping is sufficient to provide reasonable accounting control over assets, liabilities, revenues, and expenditures in connection with those funds. Staff studied samples of payroll and cash disbursements, training, supportive services, incentives, WIA OJT, BTWO OJT and work experience, tested cost allocation plans, cash draws, cash account reconciliations, program income, the 30% level requirement for Out-of-School Youth expenditures, and examined the non - expendable property inventory listing.

LWP has one (1) week from the date of the final report to prepare and submit a formal appeal to any findings. The appeal will be directed to the Deputy Commissioner, who will make the final decision

Draft report: October 31, 2013

Response to draft: December 2, 2013

Final report: February 14, 2014

Final appeal: February 21, 2014

Deputy Commissioner's decision: